Obſervations on the Propoſals of the *CITY*, to Inſure Houſes in caſe of *FIRE*.

WHEN Right is Invaded, all manner of Defence is Lawful; Therefore, ſince the City of *LONDON* endeavour to Set Up the Inſuring of Houſes from **Fire**, by the **Invention of Other Perſons**, it is reaſonable to expect, that they who were Authors of the Deſigne, and are thereby **Injured**, will not forbear, to Publiſh thoſe Truths which may Leſſen their Adverſary, and be uſeful to Preſerve their Right, though by ſo doing, they ſhould ſeem to Reflect on the Juſtice, Wiſdom, or Credit of the City of *LONDON*.

For, that the **Gentlemen of the Inſurance Office** on the Backſide of the *Royal Exchange*, were the **Firſt Inventors** of this Deſigne, muſt be **Granted by All**; becauſe, the City would have otherwiſe Accepted that fair Propoſal that was at firſt made to the Right Honourable the LORD MAYOR, &c. viz. *To Refer it to Council, to determine this Original Right: And if it did appear* [*by any of the City-Journals*] *that they had formerly reſolved the ſame way of Effecting this Deſign, or could adde any New Thoughts that improved it, other than Leſſening the Rate, or Prolonging the Terms of Inſurance, which are no Eſſential differences, nor may perhaps be any advantage to the Inſured*; *The Gentlemen of the Inſurance Office did Promiſe, to deſiſt from Inſuring City and Liberties.*

And though it may be true, that about the Year, 1670. Propoſals were made to the City about Inſuring Houſes from Fire, upon which a Committee was Choſen to Examine them; yet they were extreamly different from this Deſign, and ſo Impracticable in themſelves, that they were forced to lay them Aſide: And it is more than probable, that the City could never have Settled this Affair, had they not taken the **Pattern** from the **Inſurance Office**, ſince Ten Years have been ſpent without making the leaſt Progreſs in it.

Now, ſince the Undertaking of the City to Inſure Houſes, is but a Copy of **Anothers Invention**, the beſt way to Diſcredit it, and ſhew its Imperfections, will be to Compare it with the Original.

The **Method** that was at firſt uſed to Settle the Inſurance Office on the *Backſide of the Royal-Exchange*, was thus, *viz.*

Propoſitions for Inſuring Houſes were Publiſhed; wherein were ſet forth, the *Premium, or Rates of Inſurance*; the *ſeveral Terms of Years*; the *Security of Ground-Rents, and manner of Settlement on Truſtees.* And that General Satisfaction might be given, ſeveral dayes, upon Publick Notice, were Appointed for thoſe that had Thoughts of Inſuring, to Meet at the Office, to Object and Debate what might be Advantagious or Diſadvantagious to the Deſign; and according to the Reſult of thoſe Debates, this Affair was Setled by Counſel choſen by thoſe that Subſcribed to Inſure.

This Example the City would ſeem to Follow: Some things they have Imitated not now Neceſſary, others Neceſſary they have Omitted: Some things they have Altered, which has much prejudiced their Deſigne. All which may be obſerved from theſe Four Particulars in their Printed Paper, *viz.*

I. *Taking Subſcriptions.*
II. *The Rates of Inſurance.*
III. *The Terms of Years.*
IV. *Their going at laſt to Council, to know whether they can Settle.*

AS to the **Firſt**, [*Their taking Subſcriptions*] There can be no occaſion now; unleſs not underſtanding the Reaſons of the Deſign, they are careful to make a True Copy: For though the **Firſt Inventors** did take *Subſcriptions*, becauſe the Deſign being altogether New, they could no otherways diſcover, whether their *Propoſitions* were Approved of, but by the Readineſs of ſeveral Gentlemen to *Subſcribe*. Yet ſince this Affair is Setled, and gives General Satisfaction, there is no occaſion of *Subſcriptions*: For if the City can in all reſpects follow **This Pattern**, they have reaſon to expect the **Same Succeſs**. But if not, Why ſhould men Subſcribe to their Diſadvantage? Eſpecially when their Houſes are not Inſured by Subſcribing; and it may probably be ſo Long, if ever, before the CITY Settle their Fund, that their **Houſes may be Burnt before they are Inſured.**

Moreover, they may Inſure at the Office already Settled, and be Releaſed, when they find the CITY have made Better Proviſion for them. Therefore, there can be no Occaſion of *Subſcriptions*, unleſs thoſe Gentlemen of the Committee, that drive this Deſigne, believe they may eaſier engage men to **Subſcribe, than to Pay their Money**; and by perſwading the Court of Aldermen, the Common-Council, the Officers, and other Perſons who have their Dependency on the City to Subſcribe; may, by their Number and Quality of Subſcribers, gain a Reputation to their Deſigne, which may ſerve as an Encouragement to many not thinking perſons, and ſupply the

Defects of their Sett'lement; and may ſeem a more effectual way than any Anſwer that can be given to the Paper Entituled, *An Enquiry, whether it is the Intereſt of the* CITY *to Inſure Houſes from Fire?* Though this way will be a kind of force, and therefore not laſting.

THe **Second Obſervation Is**, on the *Rates or Premium of Inſurance, which is Fourty Eight Shillings per Cent. for Thirty One Years for Brick-Houſes, and double the Price for Timber; and ſo in proportion for Longer and Shorter Termes.* This Rate, is *Two Shillings* in *Fifty* Cheaper than that of the **Inſurance Office**, which was probably Valued as a great Contrivance to draw Cuſtomers: The Effects of ſuch Practices hath been already Obſerved in the Paper of *Enquiry*; which is, That it muſt bring Loſs to the Undertakers, and at laſt Ruine the Deſigne. So that the Managers of this Affair, ſeem not ſo much to regard the Future Conſequence, as the moſt probable means to bring Preſent Money to the Chamber, and Places to Themſelves. But ſince the Gentlemen of the *Inſurance Office* are under this Force, they are **Reſolved**, rather to Run the Hazard of Loſing, than that the City ſhould make Advantage by their Invention.

Therefore, that the Eaſineſs of the Terms may be no Encouragement to Inſure with the CITY, they do **Reſolve** for the **Future**, to Set their Rates at *Fourty Five Shillings* and *Ten Pence per Cent.* for Brick Houſes for *Thirty One Years*; which is *Five Pence per Pound Rent*, for Brick-Houſes for a Year, and Double the Rates for Timber; and to Diſcount by way of Purchaſe, *viz.* Five Years paid down for Eight Years Inſurance; Seven, for Twelve; Nine and a Half, for Twenty-One; And Eleven, for Thirty-One Years. Theſe **Rates** are Lower than the Cities, and more agreeable to Practice, than their Table, which is after the *Rate* of *Thirteen Years* Purchaſe for *One and Thirty Years*, and near *Sixteen Years* Purchaſe for *Fifty-One Years*: Prices never heard of among Purchaſers.

And do **Further Declare**, That they will Alwayes ſet their Price **Under the City**, though they do not intend to Alter any more, till they are Certain that the CITY can proceed, and have Settled their Fund.

This they think, they can Better Juſtifie the doing, than the CITY; becauſe their Security is ſo proportioned to a Number of Houſes, that whether the *Premium* make a Greater or Leſſer Sum, it doth not Alter the Security to the Inſured: And if they Loſe by the Undertaking, it is their Own, and no Injury to Any.

But thoſe Citizens that Manage the Revenue of the City, are but Stewards for the reſt; and if they (through *Raſhneſs* and want of *Knowledge*) Venture the *Publick Revenue of the City*, on a Project that brings Loſs, they prejudice the Whole Body of the Citizens: For if the *Revenue of the City* be Waſted, then the Charge of the Government muſt be Supported by Taxes.

And it is very probable, that there is no great Over-plus of Revenue belonging to the City, more than is Neceſſary to Defray the Charge of the Government, the Truſt of the Orphants, and the Repairs of the publick Places: For if there were, Why is Money borrowed at Intereſt, when no viſible Improvement is made by it? Or, why were the Fifteens ſo lately Raiſed, to Repair the publick Works of the City, which ought to be done out of the publick Revenue? Eſpecially ſince the Citizens in many Years before, had not been ſo Taxed?

THe **Third Obſervation is**, on the *Terms and Length of Inſurance*; The Office on the *Back-ſide the Royal-Exchange*, Inſures no Longer than for *Thirty-One* Years; the City Propoſe to Inſure for what *Term Deſired, and for Ever.* This perhaps was thought of as another Strata gem to bring in Cuſtomers; as if it might Ingage all thoſe that had the Inheritance of Houſes and long Terms; and beſides, might Raiſe the Value of the *Premiums*, and bring a greater Sum to the Chamber.

They never Conſidered, That thoſe that **Firſt Formed the Deſign**, had probably thought of this; and had it been Convenient and Advantagious, might Practice the ſame: And therefore ſince they have taken this Deſign on the ſecond Hand, and upon Truſt, were very Adventurous to much to Alter from their Pattern, unleſs they were provided to give Better Reaſons for their ſo doing, than are to be Expected from them.

For, to *Inſure for Ever*, is to Spoil the whole Deſign; becauſe no Security can be good where all the Profit is at firſt Received, and the Loſs is Uncertain, and Continues for ever; ſo the Loſs being uncertain, the Security cannot be Proportioned: And where all the Profit is at firſt Received, there is no Intereſt obliged to take Care of the Deſign, ſo as to Pay a Loſs, and Preſerve the Fund. So that, when ever the Loſs happens greater than the Annual Rent of the Security, the Land muſt be Divided and Torn in Pieces, to Satisfy the Loſs: Whereas, when Houſes are Inſured for no longer then *Thirty-One* Years (which is Sufficient to Comply with all Mens Occaſions) theſe Terms will Exſpire; and the *Premium* that will Ariſe from the Reverſion, will Ingage the Intereſt of thoſe concerned in the Office, to Raiſe Money to Pay the Loſſes, and Preſerve the Fund intire; tho the Loſſes were greater than *Ten* Years Rent of the Fund. And this was one of the great Arguments that was Uſed at the Setling this Affair, to ſhew the Certainty of the Security, which no otherwiſe could have given Satisfaction.

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Therefore, ſhould Men be ſo Imprudent to Inſure their Houſes for Ever, this Corporation would have greater occaſion for an Act of Reſtraint, than the Spiritual Corporations heretofore have had for, though the Church and Colledges, by Granting long Leaſes, prejudiced their Succeſſors they left them the Old Rent: But theſe Gentlemen of the Committee, will not be ſo kind to their Succeſſors; for they would not only leave them without Reverſions, but Entail a perpetual Charge and Loſs upon the Corporation.

THe **Laſt Obſervation** is, that *They are Reſolved, to Settle Lands and Ground-Rents of the Cities. to the Value of One Hundred Thouſand Pounds on Truſtees, ſo as to be Eaſily Recovered*, (and yet have not Diſcovered to the World where they lye) *and to attend Counſel, to Know whether they an Settle them.* This ought to have been the firſt Step, to have publiſhed a Particular of theſe Eſtates, with the Opinion of Councel; that they are not already Appropriated and Charged for other Uſes: For the Lands of Corporations are generally charged both for Publick and Special Uſes; ſuch as Repairing of Bridges, Maintaining of Aquæducts, and Supporting other Publick Works. Had they followed their Pattern in this Particular, they had prevented ſeveral Enquiries.

Firſt, How the Lands of the Corporation can be Settled for the Benefit of private Perſons, and to pay their Loſſes, but that they muſt be ſtill liable to the firſt Truſt? So that whilſt the Deſign brings Profit, the Settlement may ſeem Good; but when Loſſes happens, the firſt Settlement may take Place, to the Defeating of the Latter.

Secondly, How can theſe Lands be Settled upon Truſtees, ſo, as when a Diſpute Ariſeth, the City muſt **Not** be made a Party, ſince they are more Entruſted for the City, than for any particular Perſon that ſhall Sue? It being not uſual for the Court of *Chancery* to bind any perſon by Decree without being Heard, eſpecially the principal party to the Suite? If ſo, their Settlement of *Ground-Rents*, is not ſo Good as their Seal: For this Settlement, is liable to the ſame difficulty of Recovery, if there be a Diſpute, and is not ſo large a Security: For the Seal might be made to Affect all the Lands of the Corporation, were it not for the Difficulty of Suing them: but the Settlement, will be Limited to a Part.

Now if the City muſt be made a Party upon all Suites, they muſt be Summoned; if they refuſe to Appear; they Forfeit, or loſe Iſſue; which the Party hath no remedy to Recover: And the Party cannot proceed in his Suite, Becauſe the City will not Appear. So that thoſe Gentlemen of the Committee were extreamly Led out of the Way, in following the Pattern of a Settlement, thinking to Gain a Reputation by Offering an *Hundred Thouſand Pounds Security*; Whereas the Revenue of the City, muſt be Suppoſed to be Worth more, and the Seal Affects it all. For the Objection was not againſt the Ability of the City, but how to make them **Willing** or **Force** them to Pay.

This Difficulty in Suing the City, is Real; for if it were not, Thoſe many Perſons (whereof ſome of them have not Bread for their Families) would not have been ſo long without their Monyes, which they Lent to the Chamber upon Intereſt, and have Bond under the City-Seal for their Payment: And yet ſome of theſe Bonds are of ſo **Little Value**, as to be **Sold** for *Twelve-Pence* in the Pound.

Therefore it were more Honourable and Juſt, for the City to Sell ſuch Lands as they can Diſpoſe of, to Pay thoſe Debts, than to Imploy them to Injure other Men: For till then, How can it be Expected, That the Inſured ſhall have Better Juſtice, when a great Loſs happens, than thoſe Perſons have had? For, Why may not the City hereafter give out, That this Project was Driven by a **Particular Party**, then **Powerful**, that Ingaged theſe Lands in a Deſign to their Prejudice, And therefore they have no Reaſon to pay the Loſs? As hath been formerly ſaid to the Creditors that Lent their Money, that a particular **Faction** of Men (though then the Majority) Lent the Money to the **Parliament**; and therefore they have no Reaſon to Pay it?

Thirdly, Suppoſe the City can Settle thoſe Lands, *ſo, as to make them Eaſie to be Recovered*, How can they be **Freed** from the **Incumbrances** of theſe **Debts**? *And being Eaſie to Recover*, How ſhall the Inſured be **Secure**, that **Thoſe Creditors** will not **Seize Them**? For ſome of them being put in Mind, by the Cities Propoſals, that the Lands ſhall be Settled to Recover **Without Trouble**, are Reſolved to try what they can do to **Get their Money**: And therefore have been Adviſed by Counſel to Sue; If the City refuſe to Appear, the Iſſues muſt be levyed on the Land; which may be a diſpute in *Chancery*, whether it is not an Incumbrance from notice as in the caſe of Lands ſetled for payment of Debts, a *Creditor* ſhall charge them, by Filing a Bill in *Chancery*; for Lands of Corporation are in the nature of Lands in Truſt? If to avoid this Difficulty, the City ſhall Appear, then why ſhould they not obtain Judgment, and ſo *Seize* the Lands? and as far as they will go, take them to ſatisfie their Debts?

Laſtly, What will become of their Settlement, if the City Forfeit their Charter? Whether the Lands of the Corporation do not Devolve on the Crown? Who then ſhall ſatisfie Loſſes, and Extinguiſh the Fires?

By theſe Obſervations it may Appear, That the Gentlemen of the Committee did not well Underſtand

derſtand the Deſign they were about; for which they are not to be Blamed: For it is not Reaſonable to expect, that they ſhould ſo well (on a ſuddain) underſtand a Deſign, as the Inventor of it, who had ſpent much Time and Study in the Contrivance; no more than they may be ſuppoſed to underſtand Law and Phyſick, as well as thoſe that have Studied thoſe Sciences. And it is as Reaſonable, that the City ſhould have the ſole Practice of Law and Phyſick, within the City and Liberties, becauſe it would be Profitable, as that they ſhould Inſure the Houſes within thoſe Limits; and ſomething more Reaſonable, becauſe the Profit from Law and Phyſick would be more Certain.

But however, thoſe Gentlemen that intend to *Inſure their Houſes*, may perhaps conſider, That by Inſuring with the City, they Support the Conteſt; which though it bring Down the Prices of the Inſurance, yet in the End, muſt *Ruine* the Deſigne, and ſo will Loſe that Advantage (which by Encouraging the **Firſt Inventors**) they might probably expect from it: And that by Inſuring, they are not Serviceable to the City; for this Deſign (as the Committee have Contrived it) may produce ſome certain Places to themſelves, but Uncertain Profit, if not Loſs to the City: And beſides, by Inſuring with the City, they are Inſtrumental to take away the **Right** of the **Firſt Inventors**; and as it were Club, to do that which every perſon (were it his private Concern) would *Scorn* to do.

Theſe are to give Notice, to thoſe Gentlemen that have Inſured their Houſes, at the Office on the back-ſide the Royal-Exchange, *If they will come to the Office, they ſhall be Repaid the Over-plus of their* Premium, *above the Rate of* Forty-Five Shillings Ten Pence per Cent. *for Brick, and* Four Pound Eleven Shillings Eight pence *for Timber, for* Thirty-One *Years. And ſo in proportion for Leſſer Terms, according to the Printed Table; Or, be made Allowance by addition of Term. And if they ſhall have further Occaſion to Alter their Rates, they will make all that have, or ſhall hereafter Inſure, equal Abatement.*

And they do further give Notice, That they intend to Settle the Ground-Rents of Devonſhire Buildings *the next Term; And then to make proviſion for* Inſuring Chambers *in the* Inns of Court and Chancery: *And have alſo provided another Parcel of Ground-Rents of* Fifteen Hundred Pounds *per* Annum *at* Weſtminſter; *which will make the Security to the Value of near* Fourſcore Thouſand Pounds. *Theſe they intend to Settle before the Number of Houſes (upon this Security) is Compleat; And to give publick Notice ſomtime before, with the Names of Council that are to ſettle the Conveyances, that all Perſons deſirous of Satisfaction in the Title, may reſort to them without Fees.*

The Premium, or Rate of Inſurance for Brick-Houſes (the ſame to be reckoned Double for Timber) from One Pound per Annum *Rent to an Hundred, for the Term of Thirty-One Years, or Under, which is Five Pence in the Pound-Rent for one Year, and to Diſcount by way of Purchaſe; that is, Five Years Paid down for Eight Years Inſurance; Seven, for Twelve; Nine and a Half, for Twenty-One; Eleven, for Thirty-One. For every Pound-Rent Inſured, Ten Pounds in Money is to be paid as often as the Houſe is Burnt down within the Term Inſured. This is Forty-Five Shillings Ten Pence for One Hundred Pounds for Thirty-One Years, which is Under the Cities Propoſal, Two Shillings Two Pence* per Cent.

Pound Rent	Inſured for 8. Years.			Inſured for 12. Years.			Inſured for 21. Years.				Inſured for 31. Years.			Houſes Burnt, Money Paid.		
Lib.	l.	ſh.	d.	l.	ſh.	d.	l.	ſh.	d.	ob.	l.	ſh.	d.	l.	ſh.	d.
1	00	02	01	00	02	11	00	03	11	0½	00	04	07	10	00	00
2	00	04	02	00	05	10	00	07	11	00	00	09	02	20	00	00
3	00	06	03	00	08	09	00	11	10	0½	00	13	09	30	00	00
4	00	08	04	00	11	08	00	15	10	00	00	18	04	40	00	00
5	00	10	05	00	14	07	00	19	09	0½	01	02	11	50	00	00
6	00	12	06	00	17	06	01	03	09	00	01	07	06	60	00	00
7	00	14	07	01	00	05	01	07	08	0½	01	12	01	70	00	00
8	00	16	08	01	03	04	01	11	08	00	01	16	08	80	00	00
9	00	18	09	01	06	03	01	15	07	0½	02	01	03	90	00	00
10	01	00	10	01	09	02	01	19	07	00	02	05	10	100	00	00
20	02	01	08	02	18	04	03	19	02	00	04	11	08	200	00	00
30	03	02	06	04	07	06	05	18	09	00	06	17	06	300	00	00
40	04	03	04	05	16	08	07	18	04	00	09	03	04	400	00	00
50	05	04	02	07	05	10	09	17	11	00	11	09	02	500	00	00
60	06	05	00	08	15	00	11	17	06	00	13	15	00	600	00	00
70	07	05	10	10	04	02	13	17	01	00	16	00	10	700	00	00
80	08	06	08	11	13	04	15	16	08	00	18	06	08	800	00	00
90	09	07	06	13	02	06	17	16	03	00	20	12	06	900	00	00
100	10	08	04	14	11	08	19	15	10	00	22	18	04	1000	00	00

London, Printed for the Gentlemen of the **Inſurance Office** on the Back-ſide of the *Royal-Exchange*, where theſe Papers are to be had *Gratis*, 1681.